



PRE CONSTRUCTION SERVICES, INC.

2512 W. INTERSTATE 44 SERVICE ROAD-OKLAHOMA CITY, OK 73112

VOICE: 405.722.5800 FAX: 405.602.3863 www.preconstructionservices.com

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Initial Cost Report

August 23, 2018

Mr. R. Greg Andrews
Robinson Renaissance, 11th Floor
119 N. Robinson
Oklahoma City, OK 73106

Re: Smith Residence – 314 8th Street– Cushing, OK

Dear Mr. Andrews,

On April 20, 2018, I made a site visit along with yourself, we met and made a walk-through to tour the issues to the Smith Residence in Cushing, Oklahoma. Also present was Mr. Steve Ford, PE, PHD, representing ZFI Engineering, Inc. and the opposing Attorney, Mr. Adam Engel of Mansell, Engel and Cole Law Firm, to observe and take photographs of the damage issues. During the site visit, I made observations and familiarized myself with the site.

Site Observations:

During my site visit, I took 67 photos (photos can be supplied upon request). I started my observations with the direction of Mr. Ford of ZFI Inc. Mr. Ford had difficulties distinguishing between an aged structure, deferred maintenance and possible earthquake damage. It was difficult to see and plaster cracking in the walls, since the walls were encapsulated with plywood paneling. Most of the ceilings were encapsulated with acoustical tile, making it difficult as well, to observe any ceiling plaster cracking.

The carpet was pulled back, to observe the cracking in the northeast bedroom concrete floor. Steve Ford recommended digging from the outside, for the depth of the footing. Both of us excavated in two locations: 1) The north wall of the Northeast bedroom

addition and 2) The east wall of the living room. The bedroom appeared to have no foundation footing, and the living room foundation consisted of masonry stone rubble, approximately 10" below the wood plate. Mr. Ford looked into the attic through the kitchen ceiling access scuttle and under the house, through the master bedroom closet floor access.

Based on Mr. Ford's findings, the earthquake damage he could visibly observe, was four (4) to six (6) brick column supports, supporting the floor structure under the house, were partially dislodged. I observed 171 photos Mr. Ford supplied to me from our site visit on April 20th. Since Mr. Ford was the only person from our site visit who crawled under the house, I reviewed the photos he produced showing the dislodged brick pilasters.

Estimate Methodology:

Before attending the site visit, I reviewed the Rimkus Consulting Group Inc. – Ms. Lisa M. Holliday, PE, PHD Report, to familiarize myself with the background of issues of the structural failures. On page 3 of her Report, Ms. Holliday mentioned that the Smith's stated "the front door would not close, and they replaced it." Other than the door, I could not find any other items from her report for me to estimate.

Mr. Ford relayed to me the issues with the brick pilasters under the house. I discussed with Mr. Ford, the difficulties of accessing to repair the brick pilasters. Mr. Ford suggested I need to estimate the cost of accessing the floor by pulling back the carpet and cutting two holes in the wood floor system either side of the north/south running floor beam, for personnel access, materials and equipment. These access points would most likely be in the living room and one of the bedrooms.

Once the access is made, it would be necessary to shore the structure and then remove and clean the bricks for proper replacement with new mortar. The estimate also includes the subfloor repair, the patching of hardwood flooring and staining finish. The carpet would be relayed as well.

It is my understanding that the goal is to perform the repairs as quickly as possible to minimize the Smith's interruption.

Documents supplied to my firm were the following:

ZFI findings as described above

Rimkus Consulting Group, Inc. Report of Findings– dated 09.18.2017

Additional work not included in the cost estimate:

- 1) Costs for Rentals, Lodging during the repairs for the Smith Residences
- 2) Costs for removal, storage, and replacement of loose furnishings.

Opinions:

The Cost Estimate provided with this Report is based on conclusions of the ZFI findings and opinion of repairs along with my own visual observations and experience.

Facts and Data:

The unit Costs are based on: Gordian - R.S. Means 2018 Residential Cost Data 37th annual edition.

Conclusion:

This is my “Initial Cost Report,” and I reserve the right to further clarify/modify my estimate after review of any further analysis or any other supplemental reports, depositions or other engineering information, if provided, relating to this case after the date of this Cost Report.

Repair Estimate, as described above:

Estimate.....\$8,523

Total:.....\$8,523

(See attached for breakdown.)

QUALIFICATIONS + AFFILIATIONS

B.S. DEGREE ENGINEERING TECHNOLOGY-OKLAHOMA STATE UNIVERSITY 1976
 A.S. DEGREE CONSTRUCTION MANAGEMENT TECHNOLOGY-OKLAHOMA STATE UNIVERSITY 1976
 MECHANICAL & ELECTRICAL ESTIMATING – R.S. MEANS CERTIFIED 2000
 FACILITIES ESTIMATING SEMINAR –R.S. MEANS 2000
 DESIGN AND CONSTRUCTION COMMITTEE-OKLAHOMA CITY MEMORIAL 1995-1998
 AMERICAN SOCIETY OF PROFESSIONAL ESTIMATORS-CPE CERTIFIED 2005
 CHARTER MEMBER ASPE OKLAHOMA CITY-LANDRUN CHAPTER 80
 ASPE-OKLAHOMA CITY-LANDRUN CHAPTER 80 – PRESIDENT 2008-2011
 ASPE-OKLAHOMA CITY-LANDRUN CHAPTER 80 – MEMEBERSHIP-CHAIR 2013-PRESENT
 ASPE-NATIONAL INDUSTRY AWARENESS COMMITTEE-CHAIR 2011-2013
 ASPE-NATIONAL MEMBERSHIP COMMITTEE-CHAIR 2013-2014
 ASPE-NATIONAL AWARDS COMMITTEE-CHAIR 2014-2017
 ASPE-NATIONAL CERTIFICATION COMMITTEE-CHAIR 2018-PRESENT
 BILL GLASS CHAMPIONS FOR LIFE-PRISION MINISTRY TEAMATE
 CENTRAL OKLAHOMA – AIA AFFILIATE MEMBERSHIP 2000-PRESENT
 CERT-CONSULTING ESTIMATORS ROUNDTABLE 2015-PRESENT -
 CERT-CONSULTING ESTIMATORS ROUNDTABLE - NATIONAL PRESIDENT 2018-PRESENT

List of Publications authored by Witness:

EXPERT WITNESS: QUESTIONS TO ANSWER BEFOREHAND
MAY/JUNE 2018 "DCD MAGAZINE" PAGE 56

PARALLEL ESTIMATES AS A MONEY-SAVING PRACTICE
NOV./DEC. 2016 "DCD MAGAZINE" PAGE 10

BIM UPDATE-NATIONAL INSTITUTE OF BUILDING SCIENCES CONVENTION
APRIL 2013 "ESTIMATING TODAY" PAGE 21

THE "BUZZWORDS" of BIM
APRIL 2012 "ESTIMATING TODAY" PAGE 23

CERTIFIED BIM ESTIMATORS?
MARCH 2013 "ESTIMATING TODAY" PAGE 6

MEMBER PROFILE-NATIONAL INDUSTRY AWARENESS COMMITTEE CHAIR – SOUTHWEST
REPRESENTATIVE
DECEMBER 2011 "ESTIMATING TODAY" PAGE 6

INDUSTRY AWARENESS – ESTIMATING & BIM
OCTOBER 2011 "ESTIMATING TODAY" PAGE 9

LITIGATION COSTING PAST 4 YEARS:

ROSS WEAVER &
ALEXANDRA STANKUS VS.
S and D HOMES
YUKON, OK
DEPOSITION/SETTLED

2018
FOUNDATIONS AND
WEEP HOLE ISSUES

FOSHEE & YAFFE
OKLAHOMA CITY, OK

BEST WESTERN PLUS
508 EAST MAIN ST.
CUSHING, OK

2017
FOUNDATION ISSUES

MARVIN LAWS, P.C.
MUSTANG, OK

BIRD RESIDENCE
700 CABELLA COURT
NORMAN, OK
**DEPOSITION
SETTLED**

2016
WATER ISSUES

CARTCART DOOLEY
OKLAHOMA CITY, OK

TIMBERLAKE CONSTRUCTION vs
NN PROPERTIES
CJ-2015-1312
OKLAHOMA COUNTY
DEPOSITION

2016
PUNCHLIST ISSUES

DENTON LAW FIRM
MUSTANG, OK

WMATA-TRANSIT CENTER
SILVER SPRING, MARYLAND
**DEPOSITION
SETTLED**

2016
LIFE CYCLE COSTS

AKIN, GUMP, STRAUSS
HAUER & FELD LLP

4900 CORONADO BRIDGE COURT FOUNDATION FAILURE EDMOND, OK SETTLED	2016 FOUNDATION ISSUES	HARRISON & MECKLENBERG LAW FIRM – KINGFISHER, OK
REPLACE WALKER RES., TUTTLE, OK	2016 TORNADO DAMAGE	GIVENS LAW FIRM OKLAHOMA CITY
STRATFORD v. FOOTLOCKER 7307 NORTH MacARTHUR OKLAHOMA CITY SETTLED	2016 BUILDING REPLACE	McAFEE & TAFT, P.C. OKLAHOMA CITY, OK
HAYS VS. FARMERS CLINTON, OK	2016 REVIEW ESTIMATE	FRAILEY, CHAFFIN, CORDELL PERRYMAN & STERKEL CHICKASHA, OK
FRANK LOVE RESIDENCE NICHOLS HILLS, OK SETTLED	2015 FIRE ESTIMATE INS. REVIEW	LOVE'S STORES
ROSSCO V. CHECOTAH CHECOTAH HIGH SCHOOL CHECOTAH, OK. DEPOSITION/SETTLED	2014 ESTIMATING EXCAVATION	STEIDLEY & NEAL TULSA, OK
WALLING RESIDENCE 3808 MANNING RD. EL RENO, OK 1-DEPOSITION	2014 ESTIMATING TORNADO DAMAGE	HELMS & GREENE, LLC OKLAHOMA CITY, OK
WOMBLE RESIDENCE 1817 GUILFORD LANE NICHOLS HILLS, OK	2014 ESTIMATING WATER DAMAGE	HELMS & GREENE, LLC OKLAHOMA CITY, OK
GAINES vs TIMBERCRAFT HOMES EDMOND, OK SETTLED	2014 ESTIMATING	ANDREW KARIME OKLAHOMA CITY, OK
LECLEREC RESIDENCE 5715 HARPER CREEK TRAIL EDMOND, OK 2-DEPOSITIONS ARBITRATION WITNESS	2014 ESTIMATING MASONRY/STUCCO/ DRYWALL/ROOFING ISSUES	WHEELER, WHEELER, MORGAN, FAULKNER & BROWN
WESTERN HEIGHTS VS KB CONSTRUCTION, INC., CASE NO. CJ-2011-7230 OKLAHOMA COUNTY SETTLED	2014 ESTIMATING ROOF REPAIR	BROWN & BROWN, PC OKLAHOMA CITY

Statement of Compensation in this case:

Estimating services, meetings, site visits and travel time: \$120 per hour

Depositions and Prep: \$140 per hour

Court Witness, Arbitration Witness and prep: \$150

(rates are subject to change after one year of retainment)

(PCSI uses it's proprietary software and reserves the right to protect it's own interests. The Client will have no rights to the software itself, yet the work produced in protected format, may be provided on a limited basis)

My opinions and conclusions as expressed in this report are based upon my education, training, work experience and general familiarity with supporting data in my areas of expertise, and the information provided to me by you, as well as my familiarity with the standards of practice of construction in the community. I have a Bachelor's of Science in Engineering Technology and Associate Degree in Construction Management Technology. I am a Certified Professional Estimator. Although my expertise is focused on estimating, I am often asked to give an opinion on scheduling, project phasing, constructability, site staging and market conditions as related to a particular project.

David Battle - FCPE, CERT



SMITH RESIDENCE - CUSHING OK



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COST ESTIMATE SUMMARY

PROJECT: **SMITH RESIDENCE**
 LOCATION: 314 EAST 8TH STREET CUSHING, OKLAHOMA
 PREPARED FOR: CUSHING HOSPITALITY, LLC
 ESTIMATE #: 18-026
 ESTIMATOR: Pre Construction Services, Inc.
 DATE: 8/22/2018

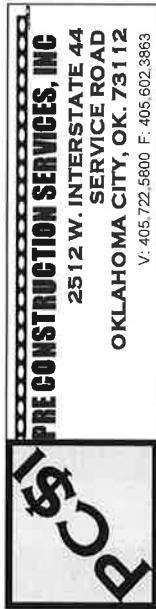
ESTIMATE TOTAL

\$ 8,523

TOTAL \$ 8,523

SEE ATTACHED ESTIMATE - BREAKDOWN

SMITH RESIDENCE 314 E. 8TH
CUSHING, OKLAHOMA



FORENSIC COST ANALYSIS

FILE: 18-026
DATE: 8/22/2018
AREA SF: 1,439

REPAIR ESTIMATE

UNIT COSTING BASED ON

RS MEANS RESIDENTIAL COSTS 2018 37TH ANNUAL EDITION

ESTIMATOR: PRE CONSTRUCTION SERVICES, INC.

DESCRIPTION	FLOOR AREA	COST	FTSQ	RS MEANS	QTY	UNIT	MATERIAL	LABOR	EQUIPMENT	SUBCONTRACT	TOTAL
				CSI CODE NUMBERS			COST	TOTAL	COST	TOTAL	TOTAL
1 DEMOLITION	1,439 SF	0.83 PSF									
2 PULL BACK CARPET IN LIVING ROOM				0905 05.20 0490	421 SF		0.00	29	0.00	0	29.47
3 PULL BACK CARPET IN SW BEDROOM				0905 05.20 0490	179 SF		0.00	13	0.00	0	12.53
4 DEMO-SAWCUT FLOOR OPENINGS-LIVING ROOM				0241 19.16 7200	1 EA		0.00	113	22.14	22	134.88
5 DEMO-SAWCUT FLOOR OPENINGS-SW BEDROOM				0241 19.16 7200	1 EA		0.00	113	22.14	22	134.88
6 DEMO-STRIP FLOORING INTERIOR 2-1/4" X 25/32" THICK- LIVING ROOM				0905 05.20 3400	8 SF		0.00	3.42	0.00	0	27.36
7 DEMO-STRIP FLOORING INTERIOR 2-1/4" X 25/32" THICK- SW BEDROOM				0905 05.20 3400	8 SF		0.00	3.42	0.00	0	27.36
8 SHORING FLOOR BEAMS - SCREW JACKS AND PLATES				0154 23.70 2650	12 EA		3.87	46	26.53	318	364.80
9 SALVAGE BRICKS AT EACH FLOOR PEDISTAL				0405 05.10 2060	12 LF		0.00	0	35.41	425	424.92
10 REMOVE FRONT ENTRY DOOR				0605 05.10 0200	1 EA		0.00	18	0.00	0	17.71
11 REMOVE FRONT ENTRY DOOR FRAME				0605 05.10 2200	1 EA		0.00	23	0.00	0	23.21
12 MASONRY	1,439 SF	1.31 PSF									
13 16"X16" COLUMN SOLID				0421 13.18 0400	12 LF		0.00	171	0.00	0	1,719.00
14 REMOVE SHORING FLOOR BEAMS - SCREW JACKS AND PLATES				0154 23.70 2650	12 EA		0.00	159	0.00	0	159.12
ROUGH CARPENTRY	1,439 SF	0.06 PSF									
15 SUBFLOOR WITH BOARDS 1"X6" LAID REGULAR				0616 23.10 0452	18 SF		3.44	55	0.00	0	90.72
DOORS	1,439 SF	0.44 PSF									
16 NEW FRONT METAL DOOR INCL JAMB AND BRICKMOLD				0617 23.10 3550	1 EA		376.31	376	0.00	0	422.73
17 DOOR FINISH HARDWARE				0671 20.40 0400	1 EA		167.13	167	0.00	0	204.27
FINISHES											
18 PATCH OAK 25/32"X2-1/4", NOT FINISHED				0654 29.10 4900	16 SF		7.12	114	0.00	0	218.40
19 FINISH WOOD FLOORS				0691 23.52 3400	16 SF		0.80	10	0.00	0	30.88
20 PAINT FRONT DOOR AND FRAME				0691 13.70 0370	1 EA		16.99	17	124.68	125	141.67
21 RE-LAY CARPET				0656 16.10 0701	600 SF		0.00	0	0.80	480	480.00
SUB TOTALS:								785		44	4,664
22 GENERAL CONDITIONS				20.00%							933
23 CONTRACTOR OVERHEAD/PROFIT & INSURANCE				27.00%							1,511
24 RESTORATION CONTINGENCY				10.00%							711
25 ARCHITECTURAL & ENGINEERING FEES				9.00%							704
31 TOTAL:											8,523.00

8/22/2018

PRE CONSTRUCTION SERVICES, INC.